

**CITY OF MOUNTAIN VIEW
MEMORANDUM**

DATE: March 19, 2004

TO: City Council

FROM: Linnie Melena, Senior Planner

SUBJECT: MARCH 23, 2004 STUDY SESSION—MAYFIELD MALL
REDEVELOPMENT

RECOMMENDATION

The purpose of this study session is for the City Council to meet representatives of the company that is proposing to redevelop the Mayfield Mall (Mayfield) site. The study session is an opportunity for the Council to identify issues and concerns about redevelopment before the developers, Toll Brothers, formally begin the City review process.

BACKGROUND AND ANALYSIS

In 2001, Hewlett-Packard (HP) announced that it would be vacating its buildings at the 27-acre Mayfield site, which is at the intersection of Central Expressway and San Antonio Road. By 2003, the 520,000 square feet had been vacated.

On September 16, 2003 and October 28, 2003, the City Council held study sessions to discuss the status of the site and to consider alternatives for developing a new precise plan (see Attachments 1 through 4—staff reports and minutes). In February 2004, HP announced that it had selected Toll Brothers to purchase and redevelop the site. Staff had an initial meeting with representatives from Toll Brothers and HP on February 20, 2004. Since 4.5 of the 27 acres are in Palo Alto, staff has also met with Palo Alto planning staff to exchange information.

Toll Brothers

Toll Brothers is a publicly traded company that builds residential projects in Texas, Colorado, Arizona, Nevada, California and the Northeast and Mid-Atlantic regions. In Northern California, Toll Brothers has built single-family homes in Dublin and San Ramon. Toll Brothers has also built condominiums and townhouses in Dublin (Dublin Ranch Village) and is developing 61 townhouses on Evelyn Avenue in Sunnyvale (see

Toll Brothers' web site at *tollbrothers.com* for a list of California projects and illustrations of housing units at Dublin Ranch Village). HP has also selected Toll Brothers to redevelop a vacated office complex in Cupertino.

Although Toll Brothers is primarily a single-family home builder, the company is proposing mixed use, including various unit types, for the Mayfield site. Toll Brothers has not submitted a specific development proposal, or described its plans, with the understanding that the City Council wants to consider alternatives in the planning process.

Status of Site

Toll Brothers has entered into a contract with HP for purchase of the site. The company is halfway through a 60-day "due diligence" period.

The site consists of 27 acres of which 4.5 acres are in the City of Palo Alto. When the Council first discussed the site, there were three parcels that HP did not own but was leasing under long-term agreements. Since then, HP has acquired one parcel (2.2 acres). The City owns another parcel (1.2 acres), part of which is within the Central Expressway right-of-way. HP has indicated that the developer will likely purchase the 0.4-acre portion of the parcel which is not in the right-of-way after planning approvals are received. The third parcel (8.5 acres) is jointly owned by Stanford University and a private party. It is located in the center of the site. HP has a contract to purchase the 8.5 acres by December 2006 (or for Toll Brothers to purchase it by then).

NEXT STEPS

The next step for the developers is to submit an application for General Plan and Precise Plan amendments and to seek City Council "gatekeeper" approval, meaning a determination of whether staff is available to begin processing their application. The Community Development Department has been preparing for this project for some time and anticipates that staffing (including contract planners) will be available. Information on the potential fiscal impact of the project is also required for gatekeeper review. Since a fiscal analysis of various alternatives is expected to be a part of the overall planning process, the Council may wish to defer this requirement until a later stage.

Staff would develop a work program for City Council approval at the time of the gatekeeper review. The work program is expected to be fairly complex because of the need to coordinate with Palo Alto, ensure neighborhood participation and verify consultant needs.

CONCLUSION

Since this meeting is coming very early in the process and is primarily to get acquainted, staff has not attempted to develop additional information about Toll Brothers' plans.

PUBLIC NOTICING

Agenda posting. Also, e-mail or mail notification was sent to the approximately 80 people on the City's mailing list. The Board of the Monta Loma Neighborhood Association was notified on March 1, 2004.

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Attachments: 1. September 16, 2003 Council Study Session Staff Report
 2. September 16, 2003 Council Study Session Minutes
 3. October 28, 2003 Council Study Session Staff Report
 4. October 28, 2003 Council Study Session Minutes